

# United States Senate

WASHINGTON, DC 20510

July 31, 2006

Ms. Christine LaSala  
Chief Executive Officer  
WTC Captive Insurance Company, Inc.  
100 William Street  
New York, New York 10038

Dear Ms. LaSala,

I write to express my concern over the way the captive insurance fund is handling the claims and litigation for Ground Zero recovery workers. I am disappointed the federally-financed fund – which I shepherded through Congress – is not fulfilling the mission it was charged with: making sure these brave men and women have the resources they need to address the health impacts that resulted from clearing debris at the World Trade Center site.

Today, I am calling on the WTC Captive Insurance Company, Inc., to abandon its efforts of fighting every claim tooth and nail, and begin working on establishing the protocols and objective criteria so that this money can be distributed to needy recipients as quickly as possible. No one, including myself, involved with the establishment of this fund expected it to behave like a stingy, bottom-line obsessed corporation. Rather, it was birthed out of recognition that the City should not be held responsible for the liability resulting from terrorist attacks and those who suffered injuries while working at ground zero would deserve compensation.

As you know, after the tragic attacks of September 11, 2001, thousands of first responders and construction workers rushed to the site to assist with search and rescue operations, recovery and debris removal. These brave men and women began their work without a thought to whether they would be compensated for any injuries received while at the site.

It quickly became apparent that no private insurer would take on the risks associated with the site and I met with city leaders and contractors to find a resolution. We agreed that the federal government should step up and fill this gap. I worked closely with the City, contractors and the Administration, including OBM Director Daniels to craft a solution, including securing \$1 billion in federal funds to ensure that anyone injured at the site would be compensated. To ensure coverage for the nearly 40,000 workers who gave of themselves at Ground Zero, the federal funds were to act as a premium payment to a captive insurance company controlled by the City and established under New York law. This federal funding was obtained, in part, as a

recognition that neither the City nor the contractors should bear the responsibility for these costs caused by the terrorist attacks.

Unfortunately, the WTC Captive Insurance Co. is spending significant resources litigating a technical legal question rather than moving forward with paying claims of those who were injured at the site. Pursuing a question of the City's immunity might be a technically appropriate legal recourse, but considering the unprecedented event of 9/11 and the \$1 billion that was set aside to assist these workers, I believe it is wrong. When I worked with the City and the contractors, my intent, along with that of my colleagues in Congress, was to use this federal money to pay appropriate claims, not to fight claims.

These workers were injured serving our nation in its time of greatest need, and we must not turn our backs on them now -- especially when there is money already allocated to do just that. The cases of those that have already died -- Firefighter Stephen Johnson, Police Officer James Godbee, Detective James Zadroga and Emergency Medical Service paramedic Debbie Reeve -- should receive particular attention.

Those injured as a part of the response, recovery and debris removal of the ground zero site deserve much better treatment. They worked tirelessly to clear the twisted steel of the Twin Towers and to search for the remains of the nearly 3,000 souls who perished that day. They gave of themselves and, as a result, the health of many suffered terribly. They deserve our profound appreciation in addition to fair compensation for injuries.

I urge the captive insurance company to immediately stop litigating this technical, legal question and begin the process of reviewing and paying appropriate claims of those who are sick or injured. At the end of the day, the \$1 billion dollars allocated by the federal government should go to those who are sick or injured as a result of their work at ground zero as quickly as possible.

Sincerely,

A handwritten signature in black ink, reading "Chuck Schumer". The signature is fluid and cursive, with the first name "Chuck" and last name "Schumer" clearly legible.

Charles E. Schumer  
United States Senator